GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1481
ANSWERED ON:04.08.2006
STATE FINANCE CORPORATION
Mahajan Smt. Sumitra

Will the Minister of FINANCE be pleased to state:

(a) whether Gupta Committee has submitted its report regarding restructuring of State Finance Corporation ;

(b) if so, the recommendations made by the Committee;

(c) whether the Government of Madhya Pradesh has requested for restructuring the Madhya Pradesh State Finance Corporation; and

(d) if so, the details thereof and the reaction of the Government thereto ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) and (b) Gupta Committee set up under the Chairmanship of Shri G.R Gupta, the then CMD, IDBI for looking into the functioning of State Financial Corporations (SFCs) and making recommendations for their restructuring and revitalisation, submitted its Report in January, 2001. The Committee recommended that the cost of infusing Rs. 3600 crores for restructuring/re-capitalising of SFCs should be shared by Government of India (Rs. 900 crores), RBI (Rs. 900 crores), State Governments (Rs. 900 crores), IDBI (Rs. 450 crores) and SIDBI (Rs. 450 crores).

(c) No, Sir.

(d) Does not arise.